

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 5/23/80

[redacted] Abex Corporation, 9th Floor, 530 5th Ave., New York, New York (NY), telephone [redacted] was interviewed at his place of business. After being advised of the identity of the interviewing agent and his purpose, [redacted] furnished the following information:

[redacted] stated [redacted]
Abex Corporation [redacted]
[redacted]
[redacted]

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[redacted] then related a business venture in which he came to know Congressman JOHN MURTHA.

Abex Corporation has a process to make cast steel railroad car wheels. Sometime after the Johnstown, Pennsylvania flood, Abex Corporation and Bethlehem Steel were in negotiation for Abex to purchase Bethlehem's wrought (forged) steel railroad car wheel plant. Bethlehem's plant was running non-profitably and Abex, knowing it made a superior product at a "lower cost to completion", wanted to fill the void for the railroad car wheels. Bethlehem produced a very good railroad car and along with other railroad car builders in the area, Abex [redacted] saw the demand in this area. Negotiations fell through because [redacted] saw Bethlehem's plant located within Bethlehem overall property as being detrimental to Abex's position.

During the Summer of 1978, [redacted] received a phone call from Congressman JOHN MURTHA. [redacted] felt that MURTHA was put in touch with him through Bethlehem Steel. MURTHA's position and interest was to provide jobs and opportunities for his constituents. MURTHA made introductions of [redacted] to the Mayor of Johnstown, FRANK PASQUERELLE (Phonetic) of the Crown America Corporation and [redacted] a leading citizen of Johnstown. PASQUERELLE introduced [redacted] to [redacted] and First Name Unknown (FNU) [redacted] two prominent bankers of the area.

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Hand Copy
Investigation on 5/20/80 at New York, New York

File # BO 87-81067 *1599*by SA [redacted] /mnDate dictated 5/22/80

BQ 87-81067

2.

[] stated that the major banks in the area guaranteed help in financing his project. [] concluded that Apex purchased land and will be opening a plant in the Industrial Development Park, Queemohoring, Pennsylvania, which is within MURTHA's Congressional District.

[] stated that all his dealings with Congressman JOHN MURTHA were of the highest level of integrity and honesty. [] stated that at no time did Congressman MURTHA mention or even suggest any business dealings concerning Arab investments around January, 1980 or any other period. Further, [] stated that he has not orally communicated with Congressman MURTHA in the January time frame.

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[] then provided copies of all communications from his Congressman JOHN MURTHA file. None of the communications reflected any mention of Arab investments. [] stated that he did not know Congressman JOHN MURPHY.

During the interview, [] always referred to Congressman MURTHA as JACK.

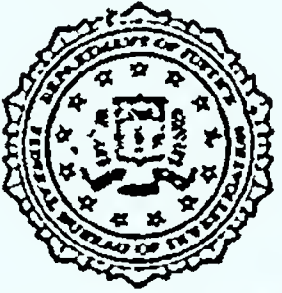
The following information was obtained through interview of []

Name

Address

Telephone

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UNITED STATES DEPARTMENT OF JUSTICE

FEDERAL BUREAU OF INVESTIGATION

In Reply, Please Refer to
File No.

Pittsburgh, Pennsylvania

May 29, 1980

ABSCAM;
INTERSTATE TRANSPORTATION
OF STOLEN PROPERTY

On May 15, 1980, the following representatives of their respective banking institutions were contacted and advised that since January 1, 1980, Congressman John P. Murtha had not contacted them or their bank in connection with his placing of large deposits, certificates of deposit, or other significant capital investments there. They also advised that Murtha had no accounts or loans of any kind at their institutions:

[redacted] U. S. National Bank in
Johnstown, 216 Franklin Street, Johnstown, PA.

[redacted], Moxham
National Bank, 550 Central Avenue, Johnstown, PA.

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[redacted] Slovenian Savings and
Loan Association, First Street, East Conemaugh, PA.

[redacted] Friendly City Federal
Savings and Loan Association, 116 Market Street, Johnstown, PA.

[redacted] Cambria Savings
and Loan Association, 225 Franklin Street, Johnstown, PA.

On May 15, 1980, [redacted] Johnstown
Bank and Trust Company, 532 Main Street, Johnstown, PA, advised that Congressman John P. Murtha had not contacted him or anyone else connected with his bank since January 1, 1980, concerning his placing of large deposits, certificates of deposit, or other significant capital investments there. He also advised that neither John P. Murtha or any member of his family had any type of savings accounts, checking accounts, certificates of deposit, or loans with his bank. He did advise that the Murtha for Reelection Committee had both a checking and savings account at his bank.

87-81067-1660

This document contains neither recommendations nor
conclusions of the FBI. It is the property of the
FBI and is loaned to your agency; it and its contents
are not to be distributed outside your agency.

Handwritten signature: *Col Jones*

JUN 1 1980
FILED
<i>[Signature]</i>

ABSCAM

On May 15, 1980, [REDACTED]
The Dale National Bank, 715 Bedford Street, Johnstown, PA, advised that he felt quite sure that Congressman John P. Murtha had not contacted that bank since January 1, 1980, concerning his placing of large deposits, certificates of deposit, or other significant capital investments there. He further advised that to the best of his knowledge Congressman Murtha and his family did all of their banking with The Dale National Bank and he knew for a fact that they had two loans with that bank, certificates of deposit there and both checking and savings accounts.

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FEDERAL BUREAU OF INVESTIGATION

1Date of transcription May 29, 1980

[redacted] Johnstown, PA, telephone number [redacted] advised that while he was now retired from the Dale National Bank, during the late 1960's he was [redacted] of that bank and [redacted]

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[redacted] In this capacity he did finance a loan for the now Congressman John P. Murtha who was just a local businessman at that time. This loan was for Murtha's car wash business and he did not know Murtha before that time.

He could not recall the exact amount of the loan without a review of the records but recalled it to be a sizeable loan for a small business. He knew of no particular reason why Murtha couldn't have obtained this loan elsewhere but assumed that since he was a small businessman he came to Dale National Bank because it was a small bank.

He did recall that there were periods of time when, because of poor business conditions, Murtha could not meet the loan payments as originally established. On these occasions, Murtha initiated contact with the bank and other arrangements were made so that least partial payments were made on this loan and it was therefore never in default. Conceivably, for this reason, Murtha might feel some obligation to the Dale National Bank.

*Carl
Copy
was*

87-81067-1661

Interviewed on May 23, 1980 at Johnstown, PA File # PG 58-281

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by SA [redacted] / ked Date dictated May 27, 1980

This document contains neither recommendations nor conclusions of the FBI. It is the property of the FBI and is loaned to your agency; it and its contents are not to be distributed outside your agency.

<p>May 27, 1980</p> <p><i>[Signature]</i></p>

UNITED STATES GOVERNMENT

Memorandum

TO : SAC, BROOKLYN-QUEENS MRA (87-81067)

DATE: 5/29/80

FROM : SAC, PITTSBURGH (58-281) (RUC)

SUBJECT: ABSCAM
ITSP (D)
(OO: BQMRA)

Re BQMRA teletype to Pittsburgh dated 5/15/80.

Enclosed herewith for BQMRA are executed copies of subpoenas for [redacted] and Custodian of Records, Dale National Bank, Johnstown, Pa.; original and four copies of a self-explanatory LHM; and original and two copies of an FD-302 interview of [redacted] on 5/23/80, with interview notes.

Per telephonic request of Thomas P. Puccio, Attorney in Charge, Organized Crime Strike Force, Brooklyn, New York, the results of negative investigation conducted by Pittsburgh are set forth in the enclosed LHM, copies of which should be forwarded to Attorney Puccio.

LEADS

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BROOKLYN-QUEENS

AT BROOKLYN, NY

Will forward appropriate copies of enclosures to Attorney in Charge Thomas P. Puccio, Organized Crime Strike Force, Brooklyn, NY.

2-Brooklyn-Queens (Encs.-13)
1-Pittsburgh

EWG/ked/jem
(3)

87-81067-1662

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JUN 04 1980	

[redacted]



5010-108-02

Buy U.S. Savings Bonds Regularly on the Payroll Savings Plan